



A **Solar Home System** typically has the capacity to power lights and devices such as radios, TVs, fridges and cell phone chargers. **Energy Efficient Stoves** for cooking and baking saves on wood, thus saving money and the environment.



A **Solar Water Heater** uses energy from the sun to heat water for domestic use.



A **Solar Water Pump** uses water photo-voltaic panels to provide energy for pumping water for livestock and domestic use.



For further information Contact:

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Republic of Namibia
Ministry of Mines & Energy



**OGEMP
SOLAR REVOLVING FUND**

FACT SHEET

**FINANCIAL SOLUTIONS
FOR
RENEWABLE ENERGY
TECHNOLOGIES**

Renewable Energy Technologies

The Ministry of Mines and Energy (MME) is the sole administrator of the Solar Revolving Fund (SRF). The SRF is a credit facility established by MME to stimulate demand for the utilization of renewable energy technologies in the rural areas, especially for communities living in off-grid areas, but also to urban clients. The SRF is the element of the Off-Grid Energisation Master Plan for Namibia (OGEMP) whose objective is to provide access to appropriate energy technologies to rural areas.

How does the SRF operate?

The SRF runs on an ownership model where individuals obtain loans to purchase Renewable Energy Technology products by obtaining a detailed quotation from the accredited Energy Service Providers to install the technology at the area of choice. Hence, the system maintenance lies with the client.

Who can apply for the SRF Loan?

- Applicant must be a Namibian Citizen, age 21-55.
- Any person with an active bank account into which his/her monthly or regular income is paid and with a clean credit record. Credit references will be verified with Trans Union®.
- The applicant must prove 2 years of continuous employment or proof of regular income in the case of a farmer/pensioner/ or entrepreneur.

Loan Criteria

- Maximum loan amount: N\$60,000 for Solar Water Pump, N\$6,000 - N\$60,000 for Solar Home System, N\$35,000 for Solar Water Heaters, Solar Cookers/Stoves, will be financed as a lump sum with Solar Home Systems.
- Loan amount must not exceed three (3) times the applicants' basic salary.
- A pensioner with a regular income e.g. Farmer /having a business, able to pay 30% deposit of total loan.
- Deposit is payable in the range of 5% - 30% of quotation amount.
- The loan can be repaid via debit order and payroll deduction.
- Only 5% interest is charged over the loan period of 60 months.
- SRF has a pre-qualified list of registered Energy Service Providers approved by the National Technical Committee on Renewable Energy (NTCRE) which can be obtained from the SRF Office at the Ministry of Mines and Energy.

Application Process

Application forms can be obtained from the Ministry of Mines and Energy, Local Energy Shops, Energy Service Provider and at all Regional Offices, and can be downloaded from the MME website. Submit the completed application form together with a certified copy of your ID and latest pay slip or proof of income. You are also required to provide a detailed quotation from accredited Energy Service Provider. The application will be assessed, if successful you will be informed in writing as well as telephonically or contacted via an Energy Service Provider to pay the required deposit and fax proof of payment to the head office.

General Information

System Installation: Once the deposit is confirmed with the bank, SRF will issue a purchase order within 14 days to your Energy Service Provider of choice to arrange for the system delivery and installation at your address indicated on the application form. You are requested to sign the installation report, to prove that you have received the system as per quotation and to signify that you are satisfied with the installation and the system is operational. **Do not sign the installation report if your system is not installed or not working.**

Installation Verification: The Ministry will conduct an installation verification to ensure that your system was installed. This is a once off activity, and will be done within twelve months after installation.

Repayment: Once the loan is granted, the applicant will be responsible to honour the monthly installments until full payment of the loan through debit order or payroll deduction.

Loan Defaulting: A 5% interest rate will be levied on any overdue amount in respect of any period (s). After five (5) years of repayment the remaining balance becomes due & payable immediately.

TAKE NOTE:

Arrears and/or defaults in installments for three consecutive months may result in legal proceedings and possible backlisting on Trans Union® (ITC).

Insurance: Insurance is provided by the Ministry of Mines and Energy. **Insurance covers only "Acts of God"**, such as lightning, Flood or hail, wind as well as damages caused by wild animals.

Theft is not covered. An excess fee of 15% of the claim value is payable by the borrower on any claim made out to the insurer. The insurance cover is valid for a period of the loan.

Applicants can obtain claim forms from the Loan Officer and should be submitted within two (2) months after the damage. Client should provide a quotation and statement made under oath from the nearest police station.

In case of death, the remaining balance of the loan is written off and the system becomes a property of the deceased's family, provided that a certified death certificate is submitted to the Ministry.

Cancellation Fee: Clients will be charged cancellation fee, 15% of total deposit received, upon cancellation of loan applications.

TAKE NOTE:

Failure to repay the loan will result in terminating insurance benefits from the Ministry.

After Sales Services and Warranty: There is limited maintenance of solar systems once installed properly. However, after sales service and warranty will be provided by your Energy Service Provider. The Ministry will not be held liable for malfunctioning systems.

TAKE NOTE:

Discuss and agree on a guarantee/warranty lasting at least 1 year from the day of installation of your solar system with your Energy Service Provider. The SRF does not give any guarantee or warranty to the borrower in relation to the solar system.